

## Camley Street Sustainability Zone (CSSZ) Community Land Trust (CLT) – Innovation Fund Information

### Purpose of Note

CSSZ has been encouraged to apply to the GLA's Housing Innovation Fund. To assess whether CSSZ should submit an Expression of Interest prior to the 13<sup>th</sup> April 2017 deadline, this short briefing note has been produced for the GLA's comments.

### Background

CSSZ is based in the London Borough of Camden, around the industrial estate of Cedar Way/Camley Street. The need for affordable housing here is acute.

CSSZ is a recently established CLT but has already made good progress on feasibility options for this first site. CSSZ has identified a project to provide large-scale, affordable rented homes integrating sustainable employment uses. The CLT, by virtue of its status as a land trust, will retain an interest in keeping the homes affordable in perpetuity.

The GLA launched a £200m Innovation Fund in December 2016 to support affordable housing projects in London. The emphasis of this fund is to provide money for projects that will provide affordable housing in new and innovative ways.

### CSSZ's Innovative Project

The Camley Street project is innovative in the following ways:

- **Community-led Development** – CLT is a grass-roots organisation supported by residents and businesses in the local area
- **100% affordable rented** at London Living Rents – variety of sizes across the scheme
- **land receipt** to the local authority – this reflects the innovative structure of the financial model. CSSZ has developed a sustainable financial model with a return on investment
- **(re)providing business space** and integrating mixed uses on site – the site currently houses thriving businesses, which want to remain and support local employment
- **replicable model on a large scale** – c.700 units provided in the initial project on a sustainable business model for future sites

### Indicative Funding Required

CSSZ requires **circa £7million** for pre-development costs, to secure land acquisition from local authority and pay for professional fees and planning application costs.

This represents **less than 30% of the Total Scheme Costs**, currently estimated at £360m for residential costs.

Financial institutions with long-term funding facilities have already expressed a keen interest in supporting the CLT in the development and post-development phases.

### How CSSZ meets the GLA's priorities

- Providing 100% affordable homes at sustainable rental levels
- Housing low-income local people – including families
- Providing replicable model at scale to support the Mayor's 'Homes For Londoners' target of 90,000 by 2021
- Starting on site in 2019 with a phased development, initial completions in 2021
- Returning the investment with rental income within 15 year time frame